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UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

FEDERAL TRADE COMMISSION,  
Plaintiff,

vs.

REVMOUNTAIN, LLC, et al.  
Defendants.

Case No: 2:17-cv-02000-APG-GWF

**DEFENDANT JENNIFER JOHNSON'S  
ANSWER TO COMPLAINT FOR  
PERMANENT INJUNCTION AND OTHER  
EQUITABLE RELIEF**

Defendant Jennifer Johnson ("Ms. Johnson"), by and through her counsel, Richard B. Newman of the law firm of Hinch Newman LLP, and Eric D. Hone and Gabriel A. Blumberg of the law firm of Dickinson Wright PLLC, hereby files this Answer to the Complaint ("Complaint") of Plaintiff Federal Trade Commission ("FTC").

By way of a general response, all allegations are denied unless specifically admitted, and any factual assertion admitted is admitted only to the specific facts and not as to any conclusions, characterizations, implications or speculations that are contained in the assertion of in the Complaint, as a whole. This response is incorporated, to the extent appropriate, into each

1 numbered paragraph of this Answer.

2 To the extent that the paragraphs of the Complaint are grouped under headings, Ms.  
3 Johnson responds generally that such headings do not contain factual assertions, and therefore, do  
4 not require an admission or denial. To the extent that a response is deemed necessary, Ms.  
5 Johnson denies any allegations contained in each heading in the Complaint.

6 1. Paragraph 1 does not require a response from Ms. Johnson. The Complaint and  
7 statutes speak for themselves.

8 2. The allegations in Paragraph 2 contain legal conclusions, which do not require an  
9 admission or denial. To the extent that a response is required, Ms. Johnson admits that this Court  
10 has subject matter jurisdiction over this action.

11 3. The allegations in Paragraph 3 contain legal conclusions, which do not require an  
12 admission or denial. To the extent that a response is required, Ms. Johnson denies that venue is  
13 proper.

14 4. Paragraph 4 does not require a response from Ms. Johnson. The Complaint and  
15 statutes speak for themselves.

16 5. The allegations in Paragraph 5 contain legal conclusions, which do not require an  
17 admission or denial. To the extent that a response is required, Ms. Johnson denies that the FTC is  
18 authorized to seek anything other than injunctive relief.

19 6. Ms. Johnson admits that that RevMountain, LLC is a Nevada limited liability  
20 company. The remaining allegations in Paragraph 6 of the Complaint contain legal conclusions,  
21 which do not require a response. To the extent that a response is required, Ms. Johnson denies  
22 them.

23 7. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
24 truth of the allegations in Paragraph 7 of the Complaint, and on that basis, denies them. The  
25 allegations in Paragraph 7 of the Complaint also contain legal conclusions, which do not require a  
26 response. To the extent that a response is required, Ms. Johnson denies them.

27 8. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
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1 truth of the allegations in Paragraph 8 of the Complaint, and on that basis, denies them. The  
2 allegations in Paragraph 8 of the Complaint also contain legal conclusions, which do not require a  
3 response. To the extent that a response is required, Ms. Johnson denies them.

4 9. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
5 truth of the allegations in Paragraph 9 of the Complaint, and on that basis, denies them. The  
6 allegations in Paragraph 9 of the Complaint also contain legal conclusions, which do not require a  
7 response. To the extent that a response is required, Ms. Johnson denies them.

8 10. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
9 truth of the allegations in Paragraph 10 of the Complaint, and on that basis, denies them. The  
10 allegations in Paragraph 10 of the Complaint also contain legal conclusions, which do not require  
11 a response. To the extent that a response is required, Ms. Johnson denies them.

12 11. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
13 truth of the allegations in Paragraph 11 of the Complaint, and on that basis, denies them. The  
14 allegations in Paragraph 11 of the Complaint also contain legal conclusions, which do not require  
15 a response. To the extent that a response is required, Ms. Johnson denies them.

16 12. Ms. Johnson admits that that ROIRunner, LLC is a Nevada limited liability  
17 company. The remaining allegations in Paragraph 12 of the Complaint contain legal conclusions,  
18 which do not require a response. To the extent that a response is required, Ms. Johnson denies  
19 them.

20 13. Ms. Johnson admits that that Cherry Blitz, LLC is a Nevada limited liability  
21 company. The remaining allegations in Paragraph 13 of the Complaint contain legal conclusions,  
22 which do not require a response. To the extent that a response is required, Ms. Johnson denies  
23 them.

24 14. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
25 truth of the allegations in Paragraph 14 of the Complaint, and on that basis, denies them. The  
26 allegations in Paragraph 14 of the Complaint also contain legal conclusions, which do not require  
27 a response. To the extent that a response is required, Ms. Johnson denies them.  
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1           15.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
2 truth of the allegations in Paragraph 15 of the Complaint, and on that basis, denies them. The  
3 allegations in Paragraph 15 of the Complaint also contain legal conclusions, which do not require  
4 a response. To the extent that a response is required, Ms. Johnson denies them.

5           16.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
6 truth of the allegations in Paragraph 16 of the Complaint, and on that basis, denies them. The  
7 allegations in Paragraph 16 of the Complaint also contain legal conclusions, which do not require  
8 a response. To the extent that a response is required, Ms. Johnson denies them.

9           17.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
10 truth of the allegations in Paragraph 17 of the Complaint, and on that basis, denies them. The  
11 allegations in Paragraph 17 of the Complaint also contain legal conclusions, which do not require  
12 a response. To the extent that a response is required, Ms. Johnson denies them.

13          18.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
14 truth of the allegations in Paragraph 18 of the Complaint, and on that basis, denies them. The  
15 allegations in Paragraph 18 of the Complaint also contain legal conclusions, which do not require  
16 a response. To the extent that a response is required, Ms. Johnson denies them.

17          19.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
18 truth of the allegations in Paragraph 19 of the Complaint, and on that basis, denies them. The  
19 allegations in Paragraph 19 of the Complaint also contain legal conclusions, which do not require  
20 a response. To the extent that a response is required, Ms. Johnson denies them.

21          20.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
22 truth of the allegations in Paragraph 20 of the Complaint, and on that basis, denies them. The  
23 allegations in Paragraph 20 of the Complaint also contain legal conclusions, which do not require  
24 a response. To the extent that a response is required, Ms. Johnson denies them.

25          21.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
26 truth of the allegations in Paragraph 21 of the Complaint, and on that basis, denies them. The  
27 allegations in Paragraph 21 of the Complaint also contain legal conclusions, which do not require  
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1 a response. To the extent that a response is required, Ms. Johnson denies them.

2 22. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
3 truth of the allegations in Paragraph 22 of the Complaint, and on that basis, denies them. The  
4 allegations in Paragraph 22 of the Complaint also contain legal conclusions, which do not require  
5 a response. To the extent that a response is required, Ms. Johnson denies them.

6 23. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
7 truth of the allegations in Paragraph 23 of the Complaint, and on that basis, denies them. The  
8 allegations in Paragraph 23 of the Complaint also contain legal conclusions, which do not require  
9 a response. To the extent that a response is required, Ms. Johnson denies them.

10 24. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
11 truth of the allegations in Paragraph 24 of the Complaint, and on that basis, denies them. The  
12 allegations in Paragraph 24 of the Complaint also contain legal conclusions, which do not require  
13 a response. To the extent that a response is required, Ms. Johnson denies them.

14 25. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
15 truth of the allegations in Paragraph 25 of the Complaint, and on that basis, denies them. The  
16 allegations in Paragraph 25 of the Complaint also contain legal conclusions, which do not require  
17 a response. To the extent that a response is required, Ms. Johnson denies them.

18 26. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
19 truth of the allegations in Paragraph 26 of the Complaint, and on that basis, denies them. The  
20 allegations in Paragraph 26 of the Complaint also contain legal conclusions, which do not require  
21 a response. To the extent that a response is required, Ms. Johnson denies them.

22 27. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
23 truth of the allegations in Paragraph 27 of the Complaint, and on that basis, denies them. The  
24 allegations in Paragraph 27 of the Complaint also contain legal conclusions, which do not require  
25 a response. To the extent that a response is required, Ms. Johnson denies them.

26 28. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
27 truth of the allegations in Paragraph 28 of the Complaint, and on that basis, denies them. The  
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1 allegations in Paragraph 28 of the Complaint also contain legal conclusions, which do not require  
2 a response. To the extent that a response is required, Ms. Johnson denies them.

3 29. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
4 truth of the allegations in Paragraph 29 of the Complaint, and on that basis, denies them. The  
5 allegations in Paragraph 29 of the Complaint also contain legal conclusions, which do not require  
6 a response. To the extent that a response is required, Ms. Johnson denies them.

7 30. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
8 truth of the allegations in Paragraph 30 of the Complaint, and on that basis, denies them. The  
9 allegations in Paragraph 30 of the Complaint also contain legal conclusions, which do not require  
10 a response. To the extent that a response is required, Ms. Johnson denies them.

11 31. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
12 truth of the allegations in Paragraph 31 of the Complaint, and on that basis, denies them. The  
13 allegations in Paragraph 31 of the Complaint also contain legal conclusions, which do not require  
14 a response. To the extent that a response is required, Ms. Johnson denies them.

15 32. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
16 truth of the allegations in Paragraph 32 of the Complaint, and on that basis, denies them. The  
17 allegations in Paragraph 32 of the Complaint also contain legal conclusions, which do not require  
18 a response. To the extent that a response is required, Ms. Johnson denies them.

19 33. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
20 truth of the allegations in Paragraph 33 of the Complaint, and on that basis, denies them. The  
21 allegations in Paragraph 33 of the Complaint also contain legal conclusions, which do not require  
22 a response. To the extent that a response is required, Ms. Johnson denies them.

23 34. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
24 truth of the allegations in Paragraph 34 of the Complaint, and on that basis, denies them. The  
25 allegations in Paragraph 34 of the Complaint also contain legal conclusions, which do not require  
26 a response. To the extent that a response is required, Ms. Johnson denies them.

27 35. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
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1 truth of the allegations in Paragraph 35 of the Complaint, and on that basis, denies them. The  
2 allegations in Paragraph 35 of the Complaint also contain legal conclusions, which do not require  
3 a response. To the extent that a response is required, Ms. Johnson denies them.

4 36. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
5 truth of the allegations in Paragraph 36 of the Complaint, and on that basis, denies them. The  
6 allegations in Paragraph 36 of the Complaint also contain legal conclusions, which do not require  
7 a response. To the extent that a response is required, Ms. Johnson denies them.

8 37. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
9 truth of the allegations in Paragraph 37 of the Complaint, and on that basis, denies them. The  
10 allegations in Paragraph 37 of the Complaint also contain legal conclusions, which do not require  
11 a response. To the extent that a response is required, Ms. Johnson denies them.

12 38. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
13 truth of the allegations in Paragraph 38 of the Complaint, and on that basis, denies them. The  
14 allegations in Paragraph 38 of the Complaint also contain legal conclusions, which do not require  
15 a response. To the extent that a response is required, Ms. Johnson denies them.

16 39. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
17 truth of the allegations in Paragraph 39 of the Complaint, and on that basis, denies them. The  
18 allegations in Paragraph 39 of the Complaint also contain legal conclusions, which do not require  
19 a response. To the extent that a response is required, Ms. Johnson denies them.

20 40. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
21 truth of the allegations in Paragraph 40 of the Complaint, and on that basis, denies them. The  
22 allegations in Paragraph 40 of the Complaint also contain legal conclusions, which do not require  
23 a response. To the extent that a response is required, Ms. Johnson denies them.

24 41. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
25 truth of the allegations in Paragraph 41 of the Complaint, and on that basis, denies them. The  
26 allegations in Paragraph 41 of the Complaint also contain legal conclusions, which do not require  
27 a response. To the extent that a response is required, Ms. Johnson denies them.

1           42.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
2 truth of the allegations in Paragraph 42 of the Complaint, and on that basis, denies them. The  
3 allegations in Paragraph 42 of the Complaint also contain legal conclusions, which do not require  
4 a response. To the extent that a response is required, Ms. Johnson denies them.

5           43.     Ms. Johnson admits that that Greenville Creek, LLC is an Indiana limited liability  
6 company. The remaining allegations in Paragraph 43 of the Complaint contain legal conclusions,  
7 which do not require a response. To the extent that a response is required, Ms. Johnson denies  
8 them.

9           44.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
10 truth of the allegations in Paragraph 44 of the Complaint, and on that basis, denies them. The  
11 allegations in Paragraph 44 of the Complaint also contain legal conclusions, which do not require  
12 a response. To the extent that a response is required, Ms. Johnson denies them.

13          45.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
14 truth of the allegations in Paragraph 45 of the Complaint, and on that basis, denies them. The  
15 allegations in Paragraph 45 of the Complaint also contain legal conclusions, which do not require  
16 a response. To the extent that a response is required, Ms. Johnson denies them.

17          46.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
18 truth of the allegations in Paragraph 46 of the Complaint, and on that basis, denies them. The  
19 allegations in Paragraph 46 of the Complaint also contain legal conclusions, which do not require  
20 a response. To the extent that a response is required, Ms. Johnson denies them.

21          47.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
22 truth of the allegations in Paragraph 46 of the Complaint, and on that basis, denies them. The  
23 allegations in Paragraph 46 of the Complaint also contain legal conclusions, which do not require  
24 a response. To the extent that a response is required, Ms. Johnson denies them.

25          48.     Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
26 truth of the allegations in Paragraph 48 of the Complaint, and on that basis, denies them. The  
27 allegations in Paragraph 48 of the Complaint also contain legal conclusions, which do not require  
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1 a response. To the extent that a response is required, Ms. Johnson denies them.

2 49. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
3 truth of the allegations in Paragraph 49 of the Complaint, and on that basis, denies them. The  
4 allegations in Paragraph 49 of the Complaint also contain legal conclusions, which do not require  
5 a response. To the extent that a response is required, Ms. Johnson denies them.

6 50. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
7 truth of the allegations in Paragraph 50 of the Complaint, and on that basis, denies them. The  
8 allegations in Paragraph 50 of the Complaint also contain legal conclusions, which do not require  
9 a response. To the extent that a response is required, Ms. Johnson denies them.

10 51. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
11 truth of the allegations in Paragraph 51 of the Complaint, and on that basis, denies them. The  
12 allegations in Paragraph 51 of the Complaint also contain legal conclusions, which do not require  
13 a response. To the extent that a response is required, Ms. Johnson denies them.

14 52. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
15 truth of the allegations in Paragraph 52 of the Complaint, and on that basis, denies them. The  
16 allegations in Paragraph 52 of the Complaint also contain legal conclusions, which do not require  
17 a response. To the extent that a response is required, Ms. Johnson denies them.

18 53. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
19 truth of the allegations in Paragraph 53 of the Complaint, and on that basis, denies them. The  
20 allegations in Paragraph 53 of the Complaint also contain legal conclusions, which do not require  
21 a response. To the extent that a response is required, Ms. Johnson denies them.

22 54. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
23 truth of the allegations in Paragraph 54 of the Complaint, and on that basis, denies them. The  
24 allegations in Paragraph 54 of the Complaint also contain legal conclusions, which do not require  
25 a response. To the extent that a response is required, Ms. Johnson denies them.

26 55. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
27 truth of the allegations in Paragraph 55 of the Complaint, and on that basis, denies them. The  
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1 allegations in Paragraph 55 of the Complaint also contain legal conclusions, which do not require  
2 a response. To the extent that a response is required, Ms. Johnson denies them.

3 56. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
4 truth of the allegations in Paragraph 56 of the Complaint, and on that basis, denies them. The  
5 allegations in Paragraph 56 of the Complaint also contain legal conclusions, which do not require  
6 a response. To the extent that a response is required, Ms. Johnson denies them.

7 57. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
8 truth of the allegations in Paragraph 57 of the Complaint, and on that basis, denies them. The  
9 allegations in Paragraph 57 of the Complaint also contain legal conclusions, which do not require  
10 a response. To the extent that a response is required, Ms. Johnson denies them.

11 58. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
12 truth of the allegations in Paragraph 58 of the Complaint, and on that basis, denies them. The  
13 allegations in Paragraph 58 of the Complaint also contain legal conclusions, which do not require  
14 a response. To the extent that a response is required, Ms. Johnson denies them.

15 59. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
16 truth of the allegations in Paragraph 59 of the Complaint, and on that basis, denies them. The  
17 allegations in Paragraph 59 of the Complaint also contain legal conclusions, which do not require  
18 a response. To the extent that a response is required, Ms. Johnson denies them.

19 60. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
20 truth of the allegations in Paragraph 60 of the Complaint, and on that basis, denies them. The  
21 allegations in Paragraph 60 of the Complaint also contain legal conclusions, which do not require  
22 a response. To the extent that a response is required, Ms. Johnson denies them.

23 61. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
24 truth of the allegations in Paragraph 61 of the Complaint, and on that basis, denies them. The  
25 allegations in Paragraph 61 of the Complaint also contain legal conclusions, which do not require  
26 a response. To the extent that a response is required, Ms. Johnson denies them.

27 62. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
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1 truth of the allegations in Paragraph 62 of the Complaint, and on that basis, denies them. The  
2 allegations in Paragraph 62 of the Complaint also contain legal conclusions, which do not require  
3 a response. To the extent that a response is required, Ms. Johnson denies them.

4 63. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
5 truth of the allegations in Paragraph 63 of the Complaint, and on that basis, denies them. The  
6 allegations in Paragraph 63 of the Complaint also contain legal conclusions, which do not require  
7 a response. To the extent that a response is required, Ms. Johnson denies them.

8 64. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
9 truth of the allegations in Paragraph 64 of the Complaint, and on that basis, denies them. The  
10 allegations in Paragraph 64 of the Complaint also contain legal conclusions, which do not require  
11 a response. To the extent that a response is required, Ms. Johnson denies them.

12 65. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
13 truth of the allegations in Paragraph 65 of the Complaint, and on that basis, denies them.

14 66. Ms. Johnson lacks knowledge or information sufficient to form a belief about the  
15 truth of the allegations in Paragraph 66 of the Complaint, and on that basis, denies them.

16 67. Ms. Johnson admits that from approximately March of 2014 through February  
17 2017 that she was the Chief Executive Officer of Rev Mountain, LLC. Ms. Johnson denies that  
18 she is currently the CEO of RevMountain, LLC. Ms. Johnson lacks knowledge or information  
19 sufficient to form a belief about the truth of the allegations concerning signing corporate filings  
20 and operational bank accounts in Paragraph 67 of the Complaint, and on that basis, denies them.  
21 that RevMountain, LLC is a Nevada limited liability company. The remaining allegations in  
22 Paragraph 6 of the Complaint contain legal conclusions, which do not require a response. To the  
23 extent that a response is required, Ms. Johnson denies them.

24 68. Ms. Johnson states that the terms and phrases “interrelated network” and “unified  
25 continuity plan operation” are vague and ambiguous, such that Ms. Johnson lacks knowledge or  
26 information sufficient to form a belief about the truth of the allegations in Paragraph 68 of the  
27 Complaint, and on that basis, denies them.

1           69.       Ms. Johnson states that the phrase “many of the Corporate Defendants” is vague  
2 and ambiguous, such that Mr. Johnson lacks knowledge or information sufficient to form a belief  
3 about the truth of the allegations in Paragraph 69 of the Complaint, and on that basis, denies them.

4           70.       The allegations in Paragraph 70 of the Complaint contain legal conclusions,  
5 which do not require an admission or denial. The allegations in Paragraph 70 are also vague and  
6 ambiguous as to the phrase “unified sales techniques.” To the extent that a response is required,  
7 Ms. Johnson lacks sufficient information or belief as to the truth of the matters alleged in  
8 Paragraph 70 of the Complaint and denies such allegations on this basis.

9           71.       The allegations in Paragraph 71 of the Complaint contain legal conclusions,  
10 which do not require an admission or denial. To the extent a response is required, Ms. Johnson  
11 denies the allegations in Paragraph 71 of the Complaint.

12           72.       The allegations in Paragraph 72 of the Complaint contain legal conclusions,  
13 which do not require an admission or denial. To the extent a response is required, Ms. Johnson  
14 denies the allegations in Paragraph 72 of the Complaint.

15           73.       The allegations in Paragraph 73 of the Complaint contain legal conclusions,  
16 which do not require an admission or denial. To the extent a response is required, Ms. Johnson  
17 denies the allegations in Paragraph 71 of the Complaint.

18           74.       Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
19 truth of the allegations as alleged in Paragraph 74 of the Complaint, and, on that basis, denies  
20 them.

21           75.       Ms. Johnson states that the term “entice” is vague and ambiguous, such that Ms.  
22 Johnson lacks knowledge or information sufficient to form a belief about the truth of the  
23 allegations in Paragraph 75 of the Complaint, and on that basis, denies them.

24           76.       Ms. Johnson denies that all of the Defendants are engaged in the sale of tooth-  
25 whitening products, among other goods, through negative option trial marketing, as alleged in  
26 Paragraph 76 of the Complaint.

27           77.       Ms. Johnson states that the term “operation” is vague and ambiguous, such that  
28

1 Ms. Johnson lacks knowledge or information sufficient to form a belief about the truth of the  
2 allegations in Paragraph 77 of the Complaint, and on that basis, denies them.

3 78. Ms. Johnson states that the term “scheme” is vague and ambiguous, such that Ms.  
4 Johnson lacks knowledge or information sufficient to form a belief about the truth of the  
5 allegations in Paragraph 78 of the Complaint, and on that basis, denies them.

6 79. Ms. Johnson states that the term and phrase “move money” is vague and  
7 ambiguous, such that Ms. Johnson lacks knowledge or information sufficient to form a belief  
8 about the truth of the allegations in Paragraph 79 of the Complaint, and on that basis, denies them.

9 80. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
10 truth of the allegations as alleged in Paragraph 80 of the Complaint, and, on that basis, denies  
11 them.

12 81. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
13 truth of the allegations as alleged in Paragraph 81 of the Complaint, and, on that basis, denies  
14 them.

15 82. Ms. Johnson states that the term and phrase “many of Defendants’ websites” is  
16 vague and ambiguous, such that Ms. Johnson lacks knowledge or information sufficient to form a  
17 belief about the truth of the allegations in Paragraph 82 of the Complaint, and on that basis, denies  
18 them.

19 83. Ms. Johnson states that the term and phrase “drive traffic” is vague and  
20 ambiguous, such that Ms. Johnson lacks knowledge or information sufficient to form a belief  
21 about the truth of the allegations in Paragraph 83 of the Complaint, and on that basis, denies them.

22 84. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
23 truth of the allegations in Paragraph 84 of the Complaint, and, on that basis, denies them.

24 85. Ms. Johnson admits that affiliate networks were paid for each trial signup as  
25 alleged in Paragraph 85 of the Complaint. Ms. Johnson lacks sufficient knowledge or information  
26 to form a belief as to the truth of the allegations that Defendants paid affiliate networks for each  
27 click, as alleged in Paragraph 85 of the Complaint, and, on that basis, denies them. Ms. Johnson  
28

1 lacks sufficient knowledge or information to form a belief as to the truth of the remaining  
2 allegations in Paragraph 85 of the Complaint, and, on that basis, denies them.

3 86. Ms. Johnson states that the terms and phrases “in many instances,” “back-door”  
4 and “front-door” are vague and ambiguous, such that Ms. Johnson lacks knowledge or  
5 information sufficient to form a belief about the truth of the allegations in Paragraph 86 of the  
6 Complaint, and on that basis, denies them.

7 87. Ms. Johnson states that the terms and phrases “front-door” and “in a few  
8 instances” are vague and ambiguous, such that Ms. Johnson lacks knowledge or information  
9 sufficient to form a belief about the truth of the allegations in Paragraph 87 of the Complaint, and  
10 on that basis, denies them.

11 88. Ms. Johnson states that the terms and phrases “back-door” and “invariably” are  
12 vague and ambiguous, such that Ms. Johnson lacks knowledge or information sufficient to form a  
13 belief about the truth of the allegations in Paragraph 88 of the Complaint, and on that basis, denies  
14 them.

15 89. Ms. Johnson states that the phrase “substantially similar” is vague and ambiguous,  
16 such that Ms. Johnson lacks knowledge or information sufficient to form a belief about the truth  
17 of the allegations in Paragraph 89 of the Complaint, and on that basis, denies them. Ms. Johnson  
18 also lacks sufficient knowledge or information to form a belief as to the truth of the allegations in  
19 Paragraph 89 of the Complaint, and, on that basis, also denies them.

20 90. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
21 truth of the allegations as alleged in Paragraph 90 of the Complaint, and, on that basis, denies  
22 them.

23 91. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
24 truth of the allegations as alleged in Paragraph 91 of the Complaint, and, on that basis, denies  
25 them.

26 92. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
27 truth of the allegations as alleged in Paragraph 92 of the Complaint, and, on that basis, denies  
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1 them.

2 93. Ms. Johnson states that the terms and phrases “back-door” and “nearly identical”  
3 are vague and ambiguous, such that Ms. Johnson lacks knowledge or information sufficient to  
4 form a belief about the truth of the allegations in Paragraph 93 of the Complaint, and on that  
5 basis, denies them. Ms. Johnson also lacks sufficient knowledge or information to form a belief  
6 as to the truth of the allegations in Paragraph 93 of the Complaint, and, on that basis, also denies  
7 them.

8 94. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
9 truth of the allegations as alleged in Paragraph 94 of the Complaint, and, on that basis, denies  
10 them.

11 95. Ms. Johnson states that the term and phrase “back-door” is vague and ambiguous,  
12 such that Ms. Johnson lacks knowledge or information sufficient to form a belief about the truth  
13 of the allegations in Paragraph 95 of the Complaint, and on that basis, denies them. Ms. Johnson  
14 also lacks sufficient knowledge or information to form a belief as to the truth of the allegations in  
15 Paragraph 95 of the Complaint, and, on that basis, also denies them.

16 96. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
17 truth of the allegations as alleged in Paragraph 96 of the Complaint, and, on that basis, denies  
18 them. The allegations in Paragraph 96 also contain legal conclusions, which do not require an  
19 admission or denial. To the extent that a response is required, Ms. Johnson also denies them.

20 97. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
21 truth of the allegations as alleged in Paragraph 97 of the Complaint, and, on that basis, denies  
22 them.

23 98. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
24 truth of the allegations as alleged in Paragraph 98 of the Complaint, and, on that basis, denies  
25 them. The allegations in Paragraph 98 also contain legal conclusions, which do not require an  
26 admission or denial. To the extent that a response is required, Ms. Johnson also denies them.

27 99. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
28

1 truth of the allegations as alleged in Paragraph 99 of the Complaint, and, on that basis, denies  
2 them.

3 100. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
4 truth of the allegations as alleged in Paragraph 100 of the Complaint, and, on that basis, denies  
5 them.

6 101. Ms. Johnson states that the term and phrase “looks like a coupon” is vague and  
7 ambiguous, such that Ms. Johnson lacks knowledge or information sufficient to form a belief  
8 about the truth of the allegations in Paragraph 101 of the Complaint, and on that basis, denies  
9 them.

10 102. Ms. Johnson lacks sufficient knowledge or information to form a belief as to the  
11 truth of the allegations as alleged in Paragraph 102 of the Complaint, and, on that basis, denies  
12 them. The allegations in Paragraph 102 also contain legal conclusions, which do not require an  
13 admission or denial. To the extent that a response is required, Ms. Johnson also denies them.

14 103. Ms. Johnson states that the term and phrase “appears to be” is vague and  
15 ambiguous, such that Ms. Johnson lacks knowledge or information sufficient to form a belief  
16 about the truth of the allegations in Paragraph 103 of the Complaint, and on that basis, denies  
17 them.

18 104. Paragraph 104 does not require a response from Ms. Johnson. The statute speaks  
19 for itself.

20 105. Paragraph 105 does not require a response from Ms. Johnson. The statute speaks  
21 for itself.

22 106. The allegations in Paragraph 106 contain legal conclusions, which do not require  
23 an admission or denial. To the extent that a response is required, Ms. Johnson denies the  
24 allegations in Paragraph 106 of the Complaint. Furthermore, Ms. Johnson states that the term and  
25 phrase “numerous instances” is vague and ambiguous, such that Ms. Johnson lacks knowledge or  
26 information sufficient to form a belief about the truth of the allegations in Paragraph 106 of the  
27 Complaint, and on that basis, denies them.



1           107.     Ms. Johnson states that the phrase “numerous instances” is vague and ambiguous,  
2 such that Ms. Johnson lacks knowledge or information sufficient to form a belief about the truth  
3 of the allegations in Paragraph 107 of the Complaint, and on that basis, denies them.

4           108.     The allegations in Paragraph 108 contain legal conclusions, which do not require  
5 an admission or denial. To the extent that a response is required, Ms. Johnson denies them.

6           109.     Paragraph 109 does not require a response from Ms. Johnson. The statute speaks  
7 for itself.

8           110.     Paragraph 110 does not require a response from Ms. Johnson. The statutes speak  
9 for themselves.

10          111.     Paragraph 111 does not require a response from Ms. Johnson. The statute speaks  
11 for itself.

12          112.     The allegations in Paragraph 112 contain legal conclusions, which do not require  
13 an admission or denial. To the extent that a response is required, Ms. Johnson denies them.

14          113.     Paragraph 113 does not require a response from Ms. Johnson. The statutes speak  
15 for themselves.

16          114.     The allegations in Paragraph 114 contain legal conclusions, which do not require  
17 an admission or denial. To the extent that a response is required, Ms. Johnson denies them.

18          115.     The allegations in Paragraph 115 contain legal conclusions, which do not require  
19 an admission or denial. To the extent that a response is required, Ms. Johnson denies them.

20          116.     The allegations in Paragraph 116 contain legal conclusions, which do not require  
21 an admission or denial. To the extent that a response is required, Ms. Johnson denies them.

22          117.     The allegations in Paragraph 117 contain legal conclusions, which do not require  
23 an admission or denial. To the extent that a response is required, Ms. Johnson denies that the  
24 FTC is authorized to seek anything other than injunctive relief.

25          118.     Ms. Johnson denies that the FTC is entitled to any of the relief it seeks in the  
26 Complaint.

27     ...

**AFFIRMATIVE DEFENSES**

Without undertaking any burden they do not otherwise bear, Ms. Johnson asserts the following Affirmative Defenses. Ms. Johnson reserves the right to amend her Answer to add additional Affirmative Defenses.

**FIRST AFFIRMATIVE DEFENSE**

Neither the Complaint nor the claims for relief alleged therein state a claim upon which civil monetary penalties can be granted against Ms. Johnson. The Federal Trade Commission relies upon the injunctive remedies available in § 13(b) as the basis for imposing various kinds of monetary “equitable relief.” However, the United States Supreme Court in *Kokesh v. SEC*, 137 S. Ct. 1635 (2017) unanimously held that disgorgement operates as a penalty. *Id.* at 1645. The FTC is not authorized to obtain civil monetary penalties under Section 13(b) of the FTC Act, which speaks only of injunctive relief and, at most, implies authority of courts to order ancillary equitable relief. Disgorgement is not equitable, but rather punitive in nature.

**SECOND AFFIRMATIVE DEFENSE**

Neither the Complaint nor the claims for relief alleged therein state a claim upon which joint and several liability can be imposed upon Ms. Johnson. The Complaint fails to allege sufficient facts to establish that the FTC has the authority to impose joint and several liability.

Section 13(b) of the FTC Act, which, at best, speaks only of injunctive relief and only authorizes ancillary equitable relief. Joint and several liability is a legal damages construct concerned with compensating a plaintiff for the total sum of its losses; by definition, it goes beyond mere return of unjust gains in a defendant’s possession. Thus, joint and several liability is not equitable in nature.

**THIRD AFFIRMATIVE DEFENSE**

Each of the FTC’s Plaintiff’s purported claims are barred in whole or in part because Ms. Johnson, in good faith, took reasonable actions to prevent or terminate the occurrence of any unfair or deceptive practices, including but not limited to the consultation of legal counsel.

...

**FOURTH AFFIRMATIVE DEFENSE**

The damages sustained by consumers, if any, resulted from the acts or omissions of others and were not proximately caused by the actions of Ms. Johnson. Any purported injury or harm was, either wholly or in part, the legal fault of persons, firms, corporations, or entities other than Ms. Johnson and that legal fault reduces the percentage of responsibility, if any, which is to be borne by Ms. Johnson.

**FIFTH AFFIRMATIVE DEFENSE**

To the extent that the FTC is awarded any damages, liability to which Ms. Johnson wholly denies, such damages must be reduced, abated or apportioned to the extent that any other party's actions caused or contributed to damages awarded to the FTC, and by the amount of benefits, refunds or chargebacks received: (i) from Ms. Johnson's co-defendants; and/or (ii) by consumers, whether from any Defendant or any other source.

**SIXTH AFFIRMATIVE DEFENSE**

The FTC's claims are barred, in whole or in part, by the applicable statute of limitations. The United States Supreme Court in *Kokesh v. SEC*, 137 S. Ct. 1635 (2017) unanimously held that disgorgement operates as a penalty and is therefore subject to the five-year limitations period. *Id.* at 1645.

**SEVENTH AFFIRMATIVE DEFENSE**

Ms. Johnson did not directly participate in, ratify, control or direct the alleged acts or practices; have knowledge of the alleged acts or practices; or have the authority to control the corporate entities involved in the alleged practices. Without conceding any such responsibility, at any time, Ms. Johnson was not charged with responsibility, managerial or otherwise, with conduct related to the subscription-billing model related allegations in the Complaint at all times relevant to the allegations in the Complaint.

**ADDITIONAL AFFIRMATIVE DEFENSES RESERVED**

Ms. Johnson has insufficient knowledge and information upon which to form a belief as to whether addition defenses are available. Ms. Johnson reserves the right to supplement or amend

1 this Answer, including through the addition of further defense.

2 **PRAYER FOR RELIEF**

3 WHEREFORE, Ms. Johnson prays for relief as follows:

4 1. That Plaintiff take nothing by way of its Complaint, and that this action be  
5 dismissed in its entirety;

6 2. For costs of suit incurred herein; and

7 3. For such other and further relief as this Court may deem necessary and proper

8 Respectfully submitted this 8<sup>th</sup> day of September 2017.

9 HINCH NEWMAN LLP

10  
11 /s/ Richard B. Newman

12 RICHARD B. NEWMAN

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21 *Attorneys for Defendant Jennifer Johnson*

**CERTIFICATE OF SERVICE**

The undersigned, an employee of Dickinson Wright PLLC, hereby certifies that on the 8<sup>th</sup> day of September 2017, a copy of DEFENDANT JENNIFER JOHNSON'S ANSWER TO COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF was served electronically to all parties of interest through the Court's CM/ECF system as follows:

|   |   |
|---|---|
| David C. Shonka, Acting General Counsel<br>Sarah Waldrop/Michelle Schaefer<br>Federal Trade Commission<br>Email: <a href="mailto:swaldrop@ftc.gov">swaldrop@ftc.gov</a><br>Email: <a href="mailto:mschaefer@ftc.gov">mschaefer@ftc.gov</a><br><br>Steven W. Myhre<br>Acting United States Attorney<br>Blaine T. Welsh<br>Assistant United States Attorney<br>Email: <a href="mailto:blaine.welsh@usdoj.gov">blaine.welsh@usdoj.gov</a><br><br>Attorneys for Plaintiff Federal Trade<br>Commission | Kolesar & Leatham, Chtd.<br>Bart K. Larsen<br><a href="mailto:blarsen@knevada.com">blarsen@knevada.com</a><br><br>Ervin Cohen & Jessup LLP<br>Byron Z. Moldo<br><a href="mailto:bmoldo@ecjlaw.com">bmoldo@ecjlaw.com</a><br>Peter A. Davidson<br><a href="mailto:pdavidson@ecjlaw.com">pdavidson@ecjlaw.com</a><br><br>Attorneys for Joshua Teeple (Receiver) |
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/s/ Bobbye Donaldson  
An employee of Dickinson Wright PLLC